Dear Joel,

As usual, I apologize for delays. I have just finished the Summer issue and now have time to change hats.

As of January 1998, the stats look like this:

Original loan $75,000
Total paid: $37,257
Total interest: $14,267
Outstanding debt: $51,989

The two difficult parts of the agreement are: (1) giving a proportion of all grants to Endswell (it hurts our ability to pursue grants); and (2) the 10% interest rate.

Here is a proposal:

A. Point pays off the $51,989, closing the old agreement.
B. Endswell floats us a new loan for $26,989 with no conditions about grants and with no or much lower interest rates (below 3%?). [This is equivalent of Whole Earth paying $25,000 in 1998.]
C. Point and Endswell work out a payment schedule for 1999 and 2000 of two payments per year due July 1 and December 1 of approximately $6,750 (with interest, if necessary).
D. Point agrees to speed payment of debts if grants and gifts (1) exceed $200,000 in any year; (2) subscriptions exceed 25,000; or (3) newsstands sales exceed 25,000 for three consecutive issues.

As you have said and I surely believe, our survival will be a miracle. We did well this year because I was able to find one-time large gifts. We may even end up at the end of 1998 with a few tens of thousands in the bank. The chances of duplicating these gifts are nil. We are hurting from a small staff (we need to hire one more staff), cramped working conditions, and poor computer equipment. We (basically me and the publisher) are trying to resolve each of these constraints as time allows.

In short, by December of this year I (or hopefully the Point Foundation Board) must find $100,000 to $150,000 in gifts and grants for 1999. Putting out the magazine plus fund raising has been too great a burden on my personal life. So the "unknown" in the equation is Point Board help. Hopefully, the Board will have this resolved by July. I will keep you informed.

If Endswell cannot work with this agreement (or some similar agreement), I will pursue other lenders. Hunter and Amory Lovins have suggested two possibilities. I have not contacted them as I hope we can work this out quietly and quickly.

Again, I do want to emphasize that I am new at these kind of agreements. It is not false humbleness but anxiety that you read in my previous notes. Any suggestions are more than welcome.

Thanks for writing for us. The Soul & Money issue has been a great success.

My best, Peter

Peter Warshall,5/20/98 3:56 PM -0700,

X-Sender: pwturtle@mail.well.com
Mime-Version: 1.0
Date: Wed, 20 May 1998 15:56:17 -0700
To: alexg@well.com
From: pwturtle@well.com (Peter Warshall)

alex, here's a letter to endswell. comments?

Dear Joel,

As usual, I apologize for delays. I have just finished the Summer issue and now have time to change hats.

As of January 1998, we owe Endswell $51,623 (principal plus interest). The two difficult parts of the agreement are: (1) giving a proportion of all grants to Endswell (it hurts our ability to pursue grants); and (2) the 10% interest rate.

Here is a proposal:

A. Point pays off the $51,623, closing the old agreement.
B. Endswell floats us a new loan for $25,000 with no conditions about grants and with no or much lower interest rates (below 3%?).
C. Point and Endswell work out a payment schedule for 1999 and 2000 of two payments per year due July 1 and December 1 of $6,250 (with interest, if necessary).
D. Point agrees to speed payment if grants and gifts exceed $200,000 in any year; or subscriptions exceed 25,000; or newsstands sales exceed 25,000 for three consecutive issues.

As you have said and I surely believe, our survival will be a miracle. We did well this year because I was able to find one-time large gifts. We may even end up at the end of 1998 with a few tens of thousands in the bank. The chances of duplicating these gifts are nil. We are hurting from a small staff (we need to hire one more staff), cramped working conditions, and poor computer equipment. We (basically me and the publisher) are trying to resolve each of these constraints as time allows.

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My best, Peter